

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDING SERVICES SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT No. 1	DATE 9-27-2010
	TO LEASE NO. GS-03B-09460	
ADDRESS OF PREMISE Philadelphia Design and Distribution Center 4700 Wissahickon Avenue Philadelphia, PA 19144-4248		
THIS AGREEMENT , made and entered into this date by and between Forty Seven Hundred LP and IMD Forty Seven Hundred, LLC whose address is 101 Richardson Street Brooklyn, NY 11211-1344		
hereinafter called the Lessor, and the UNITED STATES OF AMERICA , hereinafter called the Government:		
WHEREAS , the parties hereto desire to amend the above lease: To incorporate expansion space to the lease.		
NOW THEREFORE , these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, Effective, <u>upon execution</u> , as follows:		
<p>A. This Supplemental Lease Agreement (SLA) is being executed in order to incorporate expansion space to the lease contract. The Lease currently consists of 7,130 ANSI/BOMA Office Area Square Feet and related space. The expansion space will consist of an additional 11,500 ANSI/BOMA Office Area Square Feet. Accordingly, the new total space to be leased to the Government will be 18,630 ANSI/BOMA Office Area Square Feet and related space (21,052 RSF) on the first floor with three surface parking spaces, as depicted on Exhibit A of this SLA (attached), to be used for such purposes as determined by the General Services Administration.</p> <p>B. Paragraph 3 of the Lease is hereby deleted in its entirety and replaced with the following:</p> <p>"3. The Government shall pay the Lessor annual rent of \$692,288.42 at the rate of approximately \$57,690.70 per month in arrears for years 1 through 3 and an annual rent of \$427,353.80 (plus accrued CPI escalations) at the rate of approximately \$35,612.82 per month in arrears for years 4 through 5, as depicted on Exhibit B of this SLA (attached). Rent Checks for a lesser period shall be prorated. Rent checks shall be made electronically and shall be made payable to: Forty Seven Hundred LP, 101 Richardson Street, Brooklyn NY 11211-1344."</p>		
<p>This SLA contains 5 pages. All other terms and conditions of the lease shall remain in force and effect. IN WITNESS WHEREOF, the parties subscribed their names as of the above date.</p>		
<p>LESSOR: Forty Seven Hundred LP and IMD Forty Seven Hundred, LLC</p> <p>BY <u>[Signature]</u> (Signature) <u>[Signature]</u> (Title)</p> <p>IN THE PRESENCE OF <u>[Signature: Lisa Berger]</u> (Signature) <u>[Redacted]</u> (Address)</p>		
<p>UNITED STATES OF AMERICA, GSA, PBS, ALLEGHENY SERVICE CENTER</p> <p>BY <u>[Signature: Kristin L. Moore]</u> (Signature) <u>Contracting Officer</u> (Official Title)</p>		

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C. Paragraph 5 of the Lease is hereby deleted in its entirety and replaced with the following:

"5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

One two year period at the annual rental of \$311,121.00, plus accrued operating escalations (\$11.50 per ABOA square foot per shell rent and \$5.20 per ABOA square foot per operating rent, plus accrued operating rent escalations) provided notice be given in writing to the Lessor at least 180 days before the end of the original lease term; all other terms and conditions of this lease shall remain the same during the renewal term. Said notice shall be computed commencing with the day after the date of mailing."

D. Paragraph 9 of the Lease is hereby amended by deleting the existing text in its entirety and substituting, in lieu thereof, the following:

"9. The total percentage of space occupied by the Government under the terms of the lease is equal to 9.23% of the total space available in the lessor's building, and will be used as the basis for computing the Governments pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 21,052 rentable square feet by the total building space of 228,000 rentable square feet."

E. Paragraph 10 of the Lease is hereby deleted in its entirety.

F. Paragraph 13 of the Lease is hereby amended by deleting the existing text in its entirety and substituting, in lieu thereof, the following:

"13. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premise ready for occupancy by the Government within 90 calendar days from the date of the notice to proceed with the construction of the tenant improvements. When Lessor has completed such alterations, improvements, and repairs, Lessor shall promptly cause the same to be inspected. Upon the date of completion of such alterations, improvements, and repairs commence, an inspection and acceptance by the Government will be completed. The term of this lease shall continue for five (5) consecutive calendar years. The commencement date shall be more particularly set forth by a Supplemental Lease Agreement

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Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 4.1 of the lease, "ANSI/BOMA Office Area Square Feet" and Paragraph 27 General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 Through 3

Shell Rent: \$330,477.80/year or approximately \$17.74 per ANSI/BOMI office area square foot (ABOA),

Amortized annual cost per BOAF for Tenant Improvement Allowance*:

\$264,934.62/year or approximately \$14.22 per ANSI/BOMA Office Area Square Foot (ABOA)

Annual Cost of Services: \$96,876.00/year or approximately \$5.20 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per paragraph 4.3, "Operating Costs."

Total Annual Rent: \$692,288.42/year per ANSI/BOMI office area square Foot (ABOA),
(payable at the rate of approximately \$57,690.70 per month in arrears)

Years 4 Through 5

Shell Rent: \$330,477.80/year or approximately \$17.74 per ANSI/BOMI office area square foot (ABOA),

Amortized annual cost per BOAF for Tenant Alteration Allowance*:

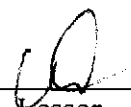
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Annual Cost of Services: \$96,876.00/year or approximately \$5.20 per ANSI/BOMA Office Area Square Foot (ABOA), plus accrued escalations per paragraph 4.3, "Operating Costs."

Total Annual Rent: \$427,353.80 per ANSI/BOMI office area square feet,
(payable at the rate of approximately \$35,612.82 per month in arrears)

* The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement (TI) allowance of \$757,868.40 or \$40.68 per ANSI/BOMA Office Area Square Foot, which is included in the rent. The TI rate is based on amortizing the TI amount of \$290,048.40 over three (3) years at a 0% amortization rate and amortizing the TI amount of \$467,820.00 at a 5% amortization rate over three (3) years. The Government, at its election, may pay lump sum for Tenant Improvements.

If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvement requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements, or 3) increase the rent according to the negotiated rate over the firm term of the lease.

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